

INMATE TELEPHONE SERVICES AGREEMENT

This Inmate Telephone Services Agreement ("Agreement") is made and entered into as of the 1st day of December, 2005 (the "Effective Date"), by and between Public Communications Services, Inc. ("PCS"), and Montana Department of Corrections ("Client").

RECITALS

A. PCS is in the business of installing, maintaining, operating and managing inmate telephone systems and providing related services at correctional facilities; and

B. Client now desires to engage PCS to render inmate telephone services at Client's correctional facilities, and PCS is willing to provide such services.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. INMATE TELEPHONE EQUIPMENT AND SERVICES

a. Client hereby grants to PCS the exclusive right during the Term, and any subsequent renewal term of this Agreement, to install, maintain, operate and manage the inmate telephone systems, including without limitation pay telephones, enclosures, instruments, lines, associated wiring, and related hardware and software (the "Equipment"), as identified in Exhibit A to this Agreement, for and within each correctional facility operated by Client listed on Exhibit B to this Agreement (individually, a "Facility" and collectively, the "Facilities"), for the purpose of providing inmate telephone services.

b. Subject to its tariffs and the terms of this Agreement, PCS agrees to install, maintain, operate and manage the Equipment for and at each Facility (the "Services").

2. COSTS, COMMISSIONS AND CALL RATES

a. Costs. The costs and expenses of providing the Services, including but not limited to installation charges, materials and labor costs, shall be PCS's sole responsibility and shall not be charged to Client, except as otherwise expressly provided for in this Agreement.

b. Commissions. PCS shall pay to Client commissions in connection with the telephone usage at each Facility of forty (40) percent on the total gross billable collect and debit revenue at each Facility, calculated at the rates set forth on Exhibit C to this Agreement. PCS shall be responsible for maintaining records sufficient to permit the proper determination of commissions due to Client. PCS shall send a statement to Client setting forth the current commissions due to Client, and commissions shall be paid monthly. Other than the foregoing commissions, Client shall not be entitled to receive any other fees or remuneration in connection with this Agreement or the Services provided by PCS.

c. Call Rates. The collect, debit and prepaid-collect call rates charged at each Facility shall be in the amounts set forth on Exhibit C to this Agreement.

3. **TERM AND TERMINATION OF AGREEMENT**

a. Term. This Agreement shall be binding as of the Effective Date. The term of the Agreement shall begin on December 19, 2005 and shall continue through January 31, 2007 (the "Term") unless either party provides written notice of termination of the Agreement to the other party not less than ninety days prior to the end of the Term.

b. Default. In the event of a material default of a party's obligations under this Agreement, the non-defaulting party shall promptly provide written notice of the material default to the other party upon discovery of the material default.

i. The party in default shall then have thirty days after its receipt of the notice to cure the default unless, prior to the expiration of the thirty-day cure period, the defaulting party notifies the other party, in writing, that the default is not of a character that reasonably can be cured within the thirty-day cure period.

ii. If the default is of a character that reasonably requires more than thirty days to cure, the party in default shall notify the other party, in writing, that the default is not of a character that reasonably can be cured within the thirty-day period, state the cure period, and describe the character of the default that requires a longer cure period.

iii. If the defaulting party fails to cure the default within the applicable cure period, then the other party may, within thirty days of expiration of the cure period, terminate this Agreement as to the Facility for which the party is in default by sending a written notice of termination of the Agreement as to that Facility. Failure to terminate the Agreement within the time frame set forth above means that the default shall be deemed cured, and that default cannot be the basis for termination of the Agreement for the duration of the then-Term or Renewal Term, as the case may be.

c. Termination. Upon termination of the Agreement for any reason other than Client's material default, the Equipment located at each Facility shall be disconnected and removed by PCS at its sole expense. Upon termination of the Agreement because of Client's material default, Client shall indemnify PCS for the actual cost to PCS for disconnecting and removing the Equipment located at each Facility. In either event, Client shall provide safe access to each Facility for PCS's removal of the Equipment from such Facility, and Client agrees to cooperate, and not to interfere, with PCS's removal of the Equipment.

4. **SERVICE REQUIREMENTS**

a. Maintenance. PCS shall maintain the Equipment in proper working order. Client shall promptly notify PCS, orally or in writing, of any problem(s) with the Equipment. Service calls shall be made by PCS to the applicable Facility in accordance with the escalation procedures set forth in Schedule A to this Agreement.

b. Installations. PCS shall install the Equipment at locations within each Facility in consultation with and as agreed to by Client, which consent shall not be unreasonably withheld. All work performed by PCS and its subcontractors, including but not limited to site preparation activities (e.g., cabling, electric wiring, conduit and cementing/paving), station installation and network and station maintenance, provision and installation of telephone enclosures, mounting posts and other associated equipment, shall be in accordance with PCS's standard business practices.

c. Subcontractors. Client agrees that PCS may use one or more subcontractors to provide all or any part of the Services. PCS shall provide Client with each subcontractor's operating procedures and guidelines. All subcontractors shall be subject to Client's customary security procedures.

d. Management. At no cost to Client, PCS shall provide all management services for the Equipment, and shall supervise all operations as part of the Services, except that PCS shall have no responsibility for the management or control of the inmates or Client representatives who use Equipment.

e. Relocation and Upgrade. PCS, at its sole expense, may relocate or remove installed Equipment upon agreement of the parties, because of recurrent vandalism, or because of insufficient usage of the Equipment by inmates. Client shall not tamper with, disconnect or move the Equipment from any location without the express written consent of PCS. PCS, at its sole option and sole expense, may upgrade or replace the Equipment.

5. CLIENT'S OBLIGATIONS

a. Restrictions on Use of Telephones. Client acknowledges that the Equipment is intended for the use of inmates in making outgoing calls and for the recording and/or monitoring of those calls. Client acknowledges and agrees that it will not utilize the inmate telephone number(s) to receive incoming calls in the conduct of its business or otherwise.

b. Condition of Facilities. Client shall provide suitable space for the Equipment at each Facility that is in compliance with federal and state laws and tariffs. Client, at Client's expense, shall provide proper lighting, power and power sources, and ventilation (so the Equipment does not overheat), and shall keep the premises around the Equipment clean and safe.

c. No Attachments. Client shall not attach or connect any apparatus or appliance to the Equipment unless such apparatus or appliance is approved by PCS, which approval will not be unreasonably withheld.

d. No Other Telephones. Except as expressly provided herein, Client will not allow other inmate telephones not installed by PCS under this Agreement to either remain or be installed at the Facilities during the Term, including but not limited to additional inmate telephones needed as a result of Client's expansion, relocation of a Facility, or opening of a new Facility.

e. Vandalism. Client agrees to take reasonable steps to prevent the misuse, destruction, damage, defacement, or vandalism to Equipment, consistent with its operating

policies and procedures. Client shall report to PCS any misuse, destruction, damage, defacement, or vandalism to the Equipment at each Facility as soon as practicable after Client learns of, discovers, or has reason to know about any such event.

f. Damage to Equipment.

i. Client agrees that PCS shall not be liable by reason of any defacement or damage to a Facility resulting from the presence of the Equipment at a Facility, or by the installation or removal therefrom, when such defacement or damage is not the result of the sole negligence or willful misconduct of PCS or its agents. If the Equipment is negligently or willfully damaged or destroyed by Client, Client's employees or agents, or Client's contractors, Client shall be responsible for, and shall pay to PCS, the costs of restoring service, and of repairing or replacing Equipment, promptly upon Client's receipt of an itemized bill for such from PCS.

ii. Client shall not be responsible for the misuse, destruction, damage, defacement, or vandalism to the Equipment caused by an inmate, except where the inmate's misuse, destruction, damage, defacement, or vandalism to the Equipment is caused, in whole or in part, by Client's negligence or willful misconduct. If an inmate causes damage to Equipment, Client shall promptly and diligently pursue disciplinary action and restitution from the inmate consistent with Client's policies and procedures. All sums in restitution recovered by Client shall promptly be remitted in full to PCS.

g. Interruptions in Service. Client hereby releases PCS from any liability to Client arising from, out of, or on account of any interruption in the telephone network connecting service to the Equipment, with the exception of interruptions caused by the negligence or willful misconduct of PCS.

6. **AUTHORITY TO CONTRACT**

a. Each party represents and warrants to the other party that it has the authority to enter into this Agreement, thereby creating a contract legally binding upon it, and to authorize the installation and operation of Equipment at the Facilities. The representative executing this Agreement on behalf of each party is empowered to do so and thereby binds his, her or its respective party.

b. Each party shall defend, release, indemnify and hold the other party, its officers, directors, assigns, employees, representative, and agents harmless from any and all claims, damages and actions (including without limitation attorneys' fees and costs) arising out of this Agreement and caused by said party's lack of authority to enter into this Agreement and create an Agreement binding on each party.

7. **INSURANCE**

At all times during the term of this Agreement, PCS and its subcontractors shall provide and maintain in effect the following types and amounts of Insurance:

- a. Employers' Liability Insurance: \$5,000,000 per occurrence and \$1,000,000 per person.
- b. Commercial General Liability Insurance with Bodily Injury Liability and Property Damage Liability Combined Single Limit: \$5,000,000 per occurrence and \$1,000,000 per person.
- c. Commercial Automobile Liability: Combined Bodily Injury and Property Damage Single Limit: \$5,000,000 combined single limit for each occurrence and \$1,000,000 per person.
- d. Workers' Compensation: PCS shall comply with all Workers' Compensation requirements in each state in which PCS provides Services to Client under this Agreement.
- e. The insurance coverage set forth in Sections 7a. through 7c. may, in PCS's sole discretion, be provided through primary and excess coverage that, when added together, provide dollar coverage in the total respective coverage amounts set forth above.

8. INDEMNITY

- a. Except as to rate-related matters, regulatory or otherwise, PCS agrees to protect, defend, indemnify and hold Client, and any of its officers, directors, agents, contractors and employees harmless from and against any and all loss, costs (including reasonable attorneys' fees), damages, liabilities, claims, liens, demands or causes of action of every nature, including damage to property or injury or death to persons arising directly or indirectly out of PCS's breach of its obligations under this Agreement.
- b. Client agrees to protect, defend, indemnify and hold PCS, its parent company and any of their officers, directors, agents, contractors and employees harmless from and against any and all loss, costs (including reasonable attorney's fees), damages liabilities, claims, liens, demands or causes of action of every nature, including damage to property or injury or death to persons arising directly or indirectly out of Client's breach of its obligations under this Agreement.

9. COOPERATION

Each party agrees to work in good faith with the other, and to cooperate fully in the completion of all actions that may be reasonable, convenient, necessary, or desirable to carry out the provisions of this Agreement, for PCS to provide Services under this Agreement, and for Client to carry out its obligations under this Agreement. Client hereby grants to PCS the authority to do all things reasonable, necessary, convenient, or desirable to manage and conduct the operation of the Equipment, and to provide the Services.

10. RIGHT OF ACCESS

The Equipment is and shall remain the sole property of PCS. Client agrees that PCS's agents and employees shall have the right to enter the Facilities at any reasonable hour for the purpose of installing, inspecting, maintaining, repairing, moving, or removing the Equipment, or for the purpose of making collections from coin boxes. Client shall provide a safe working

environment for PCS's agents and employees during such visits. Whenever PCS ceases to provide Equipment or Services at any Facility, Client shall provide safe access to such Facility for PCS's removal of Equipment from such Facility, and Client agrees to cooperate, and not to interfere, with PCS's removal of the Equipment. Client shall not require waivers or releases of any personal rights from employees or agents of PCS in connection with such visits to the Facilities.

11. REGULATORY CHANGES

a. This Agreement is subject to the applicable provisions of PCS's tariff(s), to federal and state laws, rules, and regulations relating to inmate telephone services, and to regulatory or other governmental orders, rules, regulations or approvals as may apply from time to time (collectively, the "Laws"). The parties acknowledge and agree that the applicable Laws may be deleted, amended, or added to from time to time, and that such alterations may create a conflict between the then-current Laws and the terms or operation of this Agreement. If any conflict between this Agreement and such Laws exists, or comes into existence, during the Term or a Renewal Term of this Agreement, then the Laws shall control and this Agreement shall be deemed modified accordingly.

b. This Agreement may be renegotiated at PCS's option in the event that any alteration in the Laws (including but not limited a rate change mandated by a federal, state or local regulatory authority) adversely affects PCS's ability to fulfill its obligations under this Agreement in a manner that, in PCS's sole discretion, meets PCS's business or economic requirements. In this event, PCS shall provide written notice to Client of the need to renegotiate the Agreement. Both parties agree to renegotiate the Agreement's terms in good faith, and to agree upon any provisions necessary in order to meet such altered Laws as well as PCS's business or economic requirements. If the parties fail to renegotiate the Agreement and successfully agree upon provisions reasonably acceptable to PCS within sixty days from the date that Client first received PCS's renegotiation notice, PCS may at any time thereafter terminate the Agreement upon thirty days written notice to Client.

12. INMATE TELEPHONE EQUIPMENT LEASING

Client acknowledges and agrees that PCS may enter into one or more lease transactions for some or all of the Equipment within a particular Facility. In each such case, a third party will purchase the Equipment as lessor and PCS will lease the Equipment as lessee. In the event the Equipment is leased, Client agrees to provide such documentation as may reasonably be required by the lessor and PCS. Such documentation may include, but shall not be limited to, an acknowledgment and waiver and/or lessor waiver, all in the form reasonably acceptable to the lessor. Client acknowledges and agrees that an Equipment lessor may require that UCC Financing Statements be filed regarding the Equipment owned and leased by such lessor.

13. NOTICES

Notices required by this Agreement may be personally delivered to PCS or Client, or may be delivered by, together, facsimile and first class mail postage prepaid, addressed to the

KSP

appropriate party at the address set forth below. If delivered by facsimile and first class mail, delivery will be deemed made on the date of sending of the facsimile transmission.

PCS: Public Communications Services, Inc.
11859 Wilshire Boulevard, Suite 600
Los Angeles, California 90025
Attn: Tommie E. Joe, Chief Operating Officer
Phone: (310) 954-3037
Fax No.: (310) 954-2118
Email: tommie.joe@teampcs.com

Client: Montana Department of Corrections
1539 11th Avenue
Helena MT 59620
Attn: Gary Willems
Phone: (406) 444-4941
Email: gwillems@mt.gov

14. ACCESS AND RETENTION OF RECORDS

PCS agrees to provide the Client, the Legislative Auditor, or their authorized agents with access to any records necessary to determine Contract compliance (Ref. 18-1-118, MCA). PCS agrees to create and retain all records supporting the services rendered and/or supplies delivered for a period of three years after either the completion date of this Contract or the conclusion of any claim, litigation, or exception relating to this Contract taken by the State of Montana or a third party.

15 MISCELLANEOUS

a. Successors, Subsidiaries and Assigns. This Agreement shall bind and inure to the benefit of the principals, agents, representatives, subsidiaries, successors, heirs and assigns of the parties hereto.

b. Governing Law and Venue. The laws of Montana govern this Contract. The parties agree that any mediation, arbitration or litigation concerning this Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees (Ref. 18-1-401, MCA).

c. Severability. Each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. If any provision of this Agreement or application of such provision to any person or circumstance shall, to any extent, be or become invalid or unenforceable, the remainder of this Agreement, or the application of any such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by such invalidity or unenforceability, unless such provision or such application of such provision is essential to this Agreement.

d. Entire Agreement. The parties acknowledge that no other person or any agent or attorney of any other individual or entity has made any promise, representation or warranty whatsoever, express, implied or statutory, not contained herein, concerning the subject matter hereof, to induce the execution of this Agreement, and each signatory hereby acknowledges that it has not executed this Agreement in reliance upon any such promise, representation or warranty. This Agreement represents the entire agreement between the parties and supersedes all prior negotiations, representations or agreements between the parties, either written or oral on the subject hereof.

e. Modification In Writing. This Agreement may be amended or modified only by a written instrument designated as an amendment to this Agreement, and executed by the parties hereto.

f. Assignment. PCS may assign its rights under this Agreement, but only with the written consent of Client to the assignment, which written consent shall not be unreasonably withheld. No assignment shall relieve PCS of its obligations to Client nor diminish Client's rights under this Agreement, unless so stated in a written agreement executed by Client.

g. Force Majeure. If the performance of this Agreement or any obligation hereunder is interfered with by reason of any circumstances beyond the reasonable control of the party affected, including without limitation fire, explosion, power failure or acts of God; war, civil commotion or acts of public enemies, any law, order, regulation, ordinance or requirement of any government or legal body or any representative of any such government or legal body, labor unrest, including without limitation, strikes, slow downs, picketing or boycotts, then the party affected shall be excused from such performance to the extent that such interference prevents, delays or hampers performance and the other party shall likewise be excused from performance of its obligations provided that the parties so affected shall use reasonable efforts to remove such causes of non-performance.

h. Limit on Liability. Except as expressly provided for in this Agreement, the liability of any party in connection with this Agreement shall be limited to the economic losses of the injured party caused by the other party's injurious action or inaction. In no event may punitive or exemplary damages be sought or awarded by either party as to any claim or cause of action.

i. Interpretation.

i. Neither of the parties hereto shall be deemed the drafter of this Agreement for purposes of construing its provisions. The language in all parts of this Agreement shall be construed according to its fair meaning, and not strictly for or against any of the parties hereto.

ii. The headings preceding each of the sections, paragraphs, or subparagraphs in this Agreement are for convenience only and shall not be considered in the construction or interpretation of this Agreement.

iii. Whenever the context so requires in this Agreement, all words used in the singular shall be construed to have been used in the plural (and vice versa), each gender shall be construed to include other genders, and the word "person" shall be construed to include a natural

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person, a governmental entity, a corporation, a firm, a limited liability company, a partnership, a joint venture, a trust, and estate, or any other entity.

j. Execution of Agreement.

i. For purposes of execution of this Agreement, the parties agree that facsimile signatures shall have the same force and effect as original signatures.

ii. This Agreement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with the other executed counterparts, shall constitute one Agreement, which shall be binding upon and effective as to all parties.

DATED: 1/6/06

CLIENT:

MONTANA DEPARTMENT OF
CORRECTIONS

By: Bill Slaughter
Bill Slaughter

Its: Director

DATED: 1/4/06

PCS:

PUBLIC COMMUNICATIONS
SERVICES, INC.

By: Tommie E. Joe
Tommie E. Joe

Its: Chief Operating Officer

RBC 1-11-06
SA

Chief Information Officer Approval:

The Contractor is notified that pursuant to section 2-17-514, MCA, the Department of Administration retains the right to cancel or modify any contract, project or activity that is not in compliance with the Agency's Plan for Information Technology, the State Strategic Plan for Information Technology, or any statewide IT policy or standard.

Rebecca
Chief Information Officer
Montana Department of Administration

1-11-06
(Date)

4/11/06

EXHIBIT A

Equipment

The Equipment provided by PCS will be as follows:

Montana State Prison

Inmate Phones:

98 phones

Workstation:

1 Workstation

CPE:

6U Servers

Montana Women's Prison

Inmate Phones:

21 phones

CPE:

3U Servers

Pine Hills Youth Correctional Facility

Inmate Phones:

5 phones

CPE:

1U Server



EXHIBIT A

Equipment

Hardware and Telephony Boards

6 U Servers

QTY	ITEM NUMBER	DESCRIPTION
3	11MICRO/SYSTEM3	AGM ICM 6U RECORDING SERVERS
3	11 APT/8713 VGA	APT ROBO-8713VGA P4 SINGLE BOARD
3	11APT/PBP-19AI	APT 19 SLOTS BACK PLANE 19PCI BP
3	13APT/RC860A	APT 6U RACKMOUNT CHASSIS BLACK
3	14APT/ORION3005	APT ORION-3005H 300W REDADUNT PS
3	12INTELP4-2.4GB	INTEL P4-2.4GHz 533MHz 512K CPU
3	75PENTIUM-4/FAN	PENTIUM 4 CPU COOLING FAN FOR 478P
3	12DDRPC3200/512	DDR-RAM PC3200 400MHz 512MB MEMORY
3	55INTEL/PCI100+	INTEL PCI 10/100 PRO 8460C NIC CARD
3	24HIGH/RAID1810	HIGHPOINT SATA RAID 1810 RCH CARD
6	21ST380013AS/80	SEAGATE 80GB 72K SERIAL ATA 8.5MS
12	21SEAGATE/300SA	SEAGATE SATA 300G 7200RPM 8MB
3	22SONYMPF920-1B	SONY 1.44MB BLACK FLOPPY DRIVE
3	26SONY/BLACK52X	SONY 52X BLACK IDE CD-ROM
3	60MSWINDOWSXP/	WINDOWS XP PROFESSIONAL DSP.
3	52DCT/04KB-006B	DCT BLAVK 197KEY KEYBOARD
3	53DCT/OPT-BCLI	DCT OPTICAL PS/2 MOUSE LITE UP

4U Servers

QTY	ITEM NUMBER	DESCRIPTION
2	01MICRO/SYSTEM2	AGM ICM RECORDING 4U SERVER
2	11 APT/8713 VGA	APT ROBO-8713VGA P4 SINGLE BOARD
2	11APT/PBP-19AI	APT 19 SLOTS BACK PLANE 19PCI BP
2	13APT/PC-520FT	APT 19" 4U RACKMOUNT CASE BLACK
2	14APT/ORION3002	APT ORION-3002X 300WX2 REDUNDANT PS
2	12INTELP4-2.4GB	INTEL P4-2.4GHz 533MHz 512K CPU
2	75PENTIUM-4/FAN	PENTIUM 4 CPU COOLING FAN FOR 478P
2	55INTEL/PCI100+	INTEL PCI 10/100 PRO 8460C NIC CARD
2	24HIGH/RAID1640	HIGHPOINT 1640 ROCKETRAID PCI CARD
4	21ST380013AS/80	SEAGATE 80GB 72K SERIAL ATA 8.5MS
4	21SEAGATE/300SA	SEAGATE SATA 300G 7200RPM 8MB
2	22SONYMPF920-1B	SONY 1.44MB BLACK FLOPPY DRIVE
2	26SONY/BLACK52X	SONY 52X BLACK IDE CD-ROM
8	75HARDDRIVE/KIT	HARD DRIVE MOUNTING KIT
2	52DCT/04KB-006B	DCT BLACK 197KEY KEYBOARD
2	53DCT/OPT-BCLI	DCT OPTICAL PS/2 MOUSE LITE UP
2	60MSIWINDOWSXP/	WINDOWS XP PROFESSIONAL DSP.

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EXHIBIT A

Equipment

Telephony Boards

QTY	ITEM	DESCRIPTION
4	PIK-99-00744	PIKA DAYTONA MM 12 STATION PORT
1	PIK-99-10744	PIKA DAYTONA MM 16P 16 STATION PORT
6	PIK-99-00742	PIKA DAYTONA MM 24P 24 STATION PORT
11	PIK-99-00682	PIKA V-ENGINE-303/2 2DSP
1	PIK-99-70741	PIKA DAYTONA MM 8LC 8 LINE PORTS
1	PIK-99-70742	PIKA DAYTONA MM 12LC 12 LINE PORTS
6	PIK-99-70744	PIKA DAYTONA MM 24LC 24 LINE PORTS

EXHIBIT B

Facilities

Montana State Prison
500 Conley Lake Road
Deer Lodge, MT 59722

Montana Women's Prison
701 S. 27th Street
Billings, MT 59101

Pine Hills Youth Correctional Facility
4 North Haynes Avenue
Miles City, MT 59301

EXHIBIT C

Rates

Call Rates – Collect*

	COLLECT CALL RATES	
	Connect	Rate/Minute
Local	\$2.75	\$.20 /minute
IntraState	\$2.75	\$.20 /minute
InterState	\$2.75	\$.20 /minute

Call Rates – Debit*

	DEBIT CALL RATES	
	Connect	Rate/Minute
Local	\$2.75	\$.20 /minute
IntraState	\$2.75	\$.20 /minute
InterState	\$2.75	\$.20 /minute

Call Rates – Prepaid Collect*

	PREPAID COLLECT CALL RATES	
	Connect	Rate/Minute
Local	\$2.75	\$.20 /minute
IntraState	\$2.75	\$.20 /minute
InterState	\$2.75	\$.20 /minute

***Rates do not include State, Federal and Local Taxes or Regulatory Fees**

Schedule "A"
Escalation Procedures

Inmate Phones, Escalation Procedure

THE FOLLOWING INFORMATION APPLIES TO INMATE PHONES ONLY

Priority Level 1:

(Repair will be made within 2 business days)

- One of multiple inmate phones in a housing area not operational

Priority Level 2:

(Repair will be made within 1 business day) • One entire housing area not operational

- One intake phone not operational

Priority Level 3:

(8-hour physical response and/or remote reset and repair) • Multiple entire housing areas not operational

- Multiple intake phones not operational
- All inmate phones not operational

**IMMEDIATELY CALL PCS WITH DESCRIPTION OF
PROBLEM AND PRIORITY LEVEL:**

(800) 646-6283
(800-6-INMATE)

**DO NOT DISTRIBUTE THE ABOVE NUMBER TO
INMATES OR INMATE FAMILIES AND FRIENDS**

**INMATE FAMILIES WITH BLOCKED NUMBERS OR BILLING
QUESTIONS SHOULD CALL:**

(800) 786-8521

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Schedule "A"
Escalation Procedures

Facility Administration, Back-Up Contact Sheet
(To be used only if (800) 6-INMATE number should fail)
**** Please Keep This Sheet Private****

These numbers are to be used by facility administration personnel only.

If the 800 number fails during normal business hours, please call Public Communications Services to report any problems with the Inmate Phone System.

PCS TECHNICAL SERVICES:

818-898-3524

PCS OFFICE NUMBERS:

(310) 231-1000

Eric Peterson, Ext. 2045

John Wollard, Ext. 2385

Letty Nunez, Ext. 2046

James Walter, Ext. 2029

If the 800 number fails after normal business hours, then call the following individuals to report the problem with the Inmate Phone System. Please allow fifteen minutes for individuals to respond before attempting to contact the next person on the list. Place calls in order listed below:

REP

CELLPHONE

Eric Peterson (310) 948-6707

Robert Bittner (515) 418-1739

John Woolard (310) 893-9288

Helen Douglas (818) 523-5245

**INMATE FAMILIES WITH BLOCKED NUMBERS OR BILLING
QUESTIONS SHOULD CALL:**

(800) 786-8521

KSP

FIRST AMENDMENT TO INMATE TELEPHONE SERVICES CONTRACT

This First Amendment to Inmate Telephone Services Contract ("First Amendment") is entered into as of January 23rd, 2007, by and between Public Communications Services, Inc. ("PCS"), and the Montana Department of Corrections ("Client").

Recitals:

A. PCS and Client entered into that certain Inmate Telephone Service Agreement dated as of December 1, 2005 ("Agreement").

B. PCS and Client now desire to amend the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, PCS and Purchaser hereby agree that the Agreement is amended as follows:

1. Section 3a. of the Agreement is hereby deleted in its entirety and the following is substituted in its place:

"Term. This Agreement shall be binding as of the Effective Date. The term of the Agreement shall begin on December 19, 2005 and shall continue through June 30, 2007 (the "Term") unless either party provides written notice of termination of the Agreement to the other party not less than ninety days prior to the end of the Term."

2. Except as set forth herein, the Agreement shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, this First Amendment has been executed as of the date first set forth above.

CLIENT:

MONTANA DEPARTMENT OF
CORRECTIONS



Signature

GARY WILLIAMS

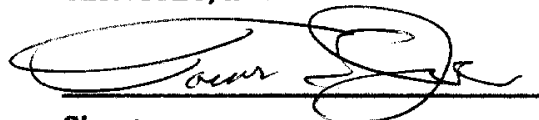
Printed Name

Contracts Bureau Chief

Title

PCS:

PUBLIC COMMUNICATIONS
SERVICES, INC.



Signature

Tommie E. Joe

Printed Name

Chief Operating Officer

Title

SECOND AMENDMENT TO INMATE TELEPHONE SERVICES CONTRACT

This Second Amendment to Inmate Telephone Services Contract ("Second Amendment") is entered into as of July 25th, 2007, by and between Public Communications Services, Inc. ("PCS"), and the Montana Department of Corrections ("Client").

Recitals:

A. PCS and Client entered into that certain Inmate Telephone Service Agreement dated as of December 1, 2005 ("Agreement").

B. PCS and Client now desire to amend the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, PCS and Client hereby agree that the Agreement is amended as follows:

1. Section 3a. of the Agreement is hereby deleted in its entirety and the following is substituted in its place:

"Term. This Agreement shall be binding as of the Effective Date. The term of the Agreement shall begin on December 19, 2005 and shall continue through June 30, 2008 (the "Term") unless either party provides written notice of termination of the Agreement to the other party not less than ninety days prior to the end of the Term."

2. Except as set forth herein, the Agreement shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, this Second Amendment has been executed as of the date first set forth above.

CLIENT:

MONTANA DEPARTMENT OF
CORRECTIONS



Signature

Gary Willems

Printed Name

Contracts and Facility Management

Bureau Chief

Title

PCS:

PUBLIC COMMUNICATIONS
SERVICES, INC.



Signature

TOMMIE E. JOE

Printed Name

President & COO

Title

THIRD AMENDMENT TO INMATE TELEPHONE SERVICES AGREEMENT

This Third Amendment to the Inmate Telephone Services Agreement ("Third Amendment") is entered into as of June ~~30th~~, 2008, by and between Public Communications Services, Inc. ("PCS"), and Montana Department of Corrections ("Client").

Recitals:

A. PCS and Client entered into that certain Inmate Telephone Service Agreement dated December 1, 2005 ("Agreement").

B. PCS and Client now desire to amend the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, PCS and Client hereby agree that the Agreement is amended as follows:

1. Section 3a. of the Agreement is hereby deleted in its entirety and the following is substituted in its place:

Term. This Agreement shall be binding as of the Effective Date. The term of the Agreement shall begin on December 19, 2005 and shall continue through December 31, 2008 (the "Term") unless either party provides written notice of termination of the Agreement to the other party not less than ninety days prior to end of the Term."

2. Except as set forth herein, the Agreement shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, this Third Amendment has been executed as of the date first set forth above.

CLIENT:

MONTANA DEPARTMENT OF
CORRECTIONS



Signature

Gary Willems

Printed Name

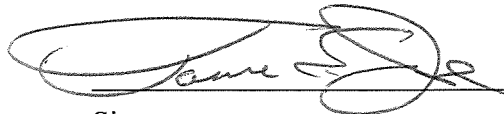
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Chief

Title

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Signature

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